## **MINUTES**



# **Joint Special Meeting**

# Reno City Council & Redevelopment Agency Board

Tuesday, May 20, 2014 • 1:30 PM

Reno City Council Chamber, One East First Street, Reno, NV 89501

Robert A. Cashell, Sr., Mayor

#### **Council Members:**

Ward 1 – Jenny Brekhus Ward 4 – Dwight Dortch Ward 2 – Sharon Zadra Ward 5 – Neoma Jardon Ward 3 – Oscar Delgado At-Large – Hillary Schieve

- A Pledge of Allegiance
- **B** Observance of a Moment of Silence
- C Roll Call

Attendee Name	Title	Status	Arrived
Jenny Brekhus	Council Member	Present	
Oscar Delgado	Council Member	Present	
Neoma Jardon	Council Member	Present	
Hillary Schieve	Council Member	Present	
Robert Cashell	Mayor	Present	
Sharon Zadra	Council Member	Present	
Dwight Dortch	Vice Mayor	Remote	
Andrew Clinger	City Manager	Present	
Dick Scott	Chair of the Redevelopment Agency Advisory Board	Present	

The meeting was called to order at 1:53 PM.

### **D** Public Comment

NO ACTION WAS TAKEN ON THIS ITEM.

## E Approval of the Agenda (For Possible Action) - May 20, 2014.

RESULT: APPROVED [UNANIMOUS]
MOVER: Sharon Zadra, Council Member
SECONDER: Neoma Jardon, Council Member

**AYES:** Brekhus, Delgado, Jardon, Schieve, Cashell, Zadra, Dortch

### **F** Approval of Minutes

RESULT: APPROVED [UNANIMOUS]
MOVER: Neoma Jardon, Council Member
SECONDER: Jenny Brekhus, Council Member

**AYES:** Brekhus, Delgado, Jardon, Schieve, Cashell, Zadra, Dortch

- F.1 Reno City Council & Redevelopment Agency Board Joint Special Apr 23, 2014 9:00 AM (For Possible Action) 1:54 PM
- F.2 Reno City Council & Redevelopment Agency Board Joint Special May 7, 2014 9:00 AM (For Possible Action) 1:54 PM

## **G** Public Hearings - 1:30 PM

### G.1 City of Reno Fiscal Year 2014/15 Budget Adoption

G.1.1 Staff Report (For Possible Action): Public Hearing regarding the City of Reno's Tentative Budget for Fiscal Year (FY) 2014/15, approval of a resolution adopting the Final Budget for the City of Reno for FY14/15, including tax levies, and adopting the Fee Schedule for the City of Reno, Nevada for FY14/15. 1:55 PM

**Recommendation:** Staff recommends holding the public hearing as required by state law and Council approval of a resolution adopting the FY14/15 Final Budget and Fee Schedule for City of Reno, Nevada.

**Proposed Motion:** I move to approve staff recommendation.

The Mayor/Chairman asked if proper notice was given.

City Clerk/Secretary Jones stated that proper notice was given and no correspondence was received.

Mayor/Chairman Cashell opened the public hearing.

Kate Thomas, Director of the Office of Management and Budget, presented an overview of the Staff Report.

The Mayor/Chairman opened the public comment portion of the hearing and asked if anyone wished to speak.

Teela Hammond, Certified Public Accountant (CPA) and Chair of the City's Financial Advisory Board (FAB), discussed the duties and credentials of the FAB members, and their hope that their recommendations, when presented to the Council, are taken into consideration. She said that the FAB did not approve the 2014-2015 Budget as presented to them in full, noting that it was the first time

since she had served on the Board that they had not done so. We believe that (1) the \$1 million in fiscal year 2015 savings from the payoff of the City Hall building debt should go into a contingency fund to cover the deficit in fiscal year 2016, she said, and not to fund new ongoing expenditures, (2) it is not fiscally responsible for the City to incur another \$1.2 million in ongoing expenditures knowing that the City will be in a deficit position in 2016, and (3) retention of the firefighting staff affected by the loss of the SAFER (Staffing for Adequate Fire & Emergency Response) Grant should be funded by savings generated by the Reno Fire Department (RFD) only. We are aware of the Council's priorities and the pressure that the Council faces from constituents, Ms. Hammond said, but we also know that most of the citizens do not understand the fiscal situation that the City is in as well as we on the FAB do because we review the financials every month. In summing up, Ms. Hammond said that the FAB would not in good conscience advocate for an increase in spending when they knew there would be a deficit in fiscal year 2016, and noted that, as presented, this budget did not even take into consideration OPEB (Other Post Employment Benefits) liability and Worker's Compensation liability.

Council/Board Member Dortch said that he thought the Council was going to have additional discussion regarding the two additional firefighter positions after the Building Enterprise Fund Advisory Committee (BEFAC) was consulted about the transfer of funds issue.

City Manager/Executive Director Clinger said that staff considered the action taken at last Council meeting as direction to include those two positions in the budget. He said that the BEFAC asked the City to work with them moving forward and provide them with data supporting the need for transferring the plans review and fire inspection services monies out of the Building Enterprise Fund. Mr. Clinger said that the positions were included in the budget, but could be removed with Council direction.

Council/Board Member Dortch and Robert Chisel, Director of Finance and Administration, discussed firefighters' salaries and benefits issues, the cost effectiveness of putting a two-man medical unit at a closed fire stations (quote from the Regional Emergency Medical Services Authority (REMSA) was \$410,000 for a two-person response unit or \$450,000 for a two-person ambulance at the Somersett Fire Station), and the fact that approximately 90% of the calls to the Somersett Fire Station are for medical service. Council/Board Member Dortch said that retaining two additional firefighters would not reduce overtime, open a fire station, or provide additional services to the public.

Michael Hernandez, Fire Chief, said that when pink slips are given to Reno firefighters day after tomorrow, there will be 186 firefighters (61 per shift)

remaining, which compares to Reno's 1977 RFD staffing levels. He said that he would not recommend paying an outside private ambulance company (i.e., REMSA) \$500,000 to provide a service that they are already supposed to be providing, and noted that the RFD currently serves the Somersett area with 6, 8 and 9 minute response times, depending on from where the call originates. An additional two individuals, he said, would increase our pool of floaters and offset anyone who takes vacation or sick leave, which is a definite benefit the organization and the community even though it would not open a station.

Council/Board Member Dortch and Chief Hernandez agreed that, if it were possible to do so, two-man rescue units would be placed at the Somersett and Skyline fire stations, as well as in other high volume stations such as Station No. 1 in downtown Reno. Council/Board Member Dortch said that it would cost \$500,000 annually to hire REMSA to provide that service, while it would cost over \$1 million to pay Reno firefighters for the same service.

Council/Board Member Jardon and Chief Hernandez agreed that the City of Reno does not currently have the ability to utilize two-man crews because of contractual restrictions, an issue that is currently being negotiated, along with other staffing issues, with the City's labor unions.

#### COUNCIL/BOARD MEMBER DORTCH ABSENT AT 2:20 P.M.

Council/Board Member Brekhus stated her support for retaining an additional two firefighters with Building Enterprise Fund Advisory Committee (BEFAC) monies.

City Manager/Executive Director Clinger clarified that BEFAC monies will not be used to fund the two additional firefighters. He stated that BEFAC is funding the services that they are as an industry receiving, and it is plans review and field inspection fees that freed up General Fund monies to pay for the firefighters.

Council/Board Member Brekhus, City Manager/Executive Director, and Ms. Thomas discussed future budget augmentation issues.

Discussion ensued regarding staffing authority and Capital Improvement Program (CIP) issues; payments to baseball pursuant to the restructuring and the fire station debt; Nevada Land, LLC property tax issues; a Reno firefighter's average base salary (\$65,000) and average salary with benefits (\$115,000); Nevada Land, LLC's property tax negotiations with Washoe County and the fact that the baseball stadium in Las Vegas is not required to pay taxes; the City's September 2012 settlement agreement with Washoe County; and Council's prior direction to include the third 'Whereas' statement regarding the Reno Aces Stadium

Settlement and Restructuring Agreement in the proposed budget adoption resolution.

It was moved by Council/Board Member Brekhus to remove the third 'Whereas' statement from the City of Reno budget adoption resolution.

Motion failed for lack of a second.

Mayor/Chairman Cashell stated that baseball (i.e., Nevada Land, LLC and SK Baseball) lived up to their agreement with the City, they were promised certain things that the change in the economy made it impossible for the City to provide, and they (baseball) are trying to work with the City and Washoe County to negotiate an equitable solution. He said that defaulting on the agreement with baseball could result in closure of the stadium and an expansion of the homeless shelter. The City made a deal they could not live up to, he said, and they then worked out the next best thing (i.e., the Settlement and Restructuring Agreement). Go into a default over the next five years and it reverts to an LLC with no guarantees like the ones you have today that baseball will pay off the Baseball Stadium and hand it over to the City, he said, and if you think we will ever get a baseball team in this community again, you are dreaming.

The Council accepted the report.

Mayor/Chairman Cashell closed the public hearing.

RESULT:APPROVED [UNANIMOUS]MOVER:Sharon Zadra, Council MemberSECONDER:Neoma Jardon, Council Member

**AYES:** Brekhus, Delgado, Jardon, Schieve, Cashell, Zadra

**ABSENT:** Dwight Dortch

G.1.2	Resolution No. 7974: Staff Report (For Possible Action): Resolution No  Resolution adopting the Fiscal Year 2014/15 Budget including tax levies, and adopting the Fee Schedule for the City of Reno, Nevada for					
	the Fiscal Year 2014/15. 2:51 PM  Recommendation: Staff recommends Council adopt Resolution No					
	Proposed Motion: I move to adopt Resolution No					
Resolu	ution No. 7974 was adopted.					

RESULT: ADOPTED [5 TO 1]

MOVER: Sharon Zadra, Council Member SECONDER: Neoma Jardon, Council Member

AYES: Brekhus, Delgado, Jardon, Cashell, Zadra

NAYS: Hillary Schieve ABSENT: Dwight Dortch

### G.2 Redevelopment Agency #1 and #2 Fiscal Year 2014/15 Budget Adoption

G.2.1 Staff Report (For Possible Action): Public Hearing regarding the Redevelopment Agency #1 and Redevelopment Agency #2 Tentative Budgets, and Approval of Resolution adopting the Final Budgets for the Redevelopment Agency #1 and Redevelopment Agency #2 of the City of Reno for Fiscal Year 2014/15. 2:52 PM

**Recommendation:** Staff recommends holding the public hearing as required by state law and Redevelopment Agency Board's approval of a resolution adopting FY14/15 Final Budgets for Redevelopment Agency #1 and Redevelopment Agency #2 of the City of Reno, Nevada.

**Proposed Motion:** I move to approve staff's recommendation.

Kate Thomas, Director of the Office of Management and Budget, said that she covered the Redevelopment Agency budgets in her previous remarks.

Council/Board Member Brekhus and Jonathan Shipman, Deputy City Attorney, discussed motor vehicle privileged tax revenue issues.

The Council accepted the report.

RESULT: APPROVED [UNANIMOUS]
MOVER: Jenny Brekhus, Council Member
SECONDER: Sharon Zadra, Council Member

**AYES:** Brekhus, Delgado, Jardon, Schieve, Cashell, Zadra

**ABSENT:** Dwight Dortch

G.2.2	Resolution	: Staff Report (For Possible Action): Resolution Non adopting Fiscal Year 2014/15 Final Budgets for the ney #1 and #2 of City of Reno, Nevada. 2:55 PM			
	<b>Recommendation:</b>	Staff recommends Council adopt Resolution No			
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	Proposed Motion: I move to adopt Resolution No				
Redevelopment Agency Resolution No. 218 was adopted.					

RESULT: ADOPTED [UNANIMOUS]

MOVER: Sharon Zadra, Council Member

SECONDER: Hillary Schieve, Council Member

**AYES:** Brekhus, Delgado, Jardon, Schieve, Cashell, Zadra

**ABSENT:** Dwight Dortch

### H Public Hearings - 3:00 PM

H.1 Staff Report (For Possible Action): Public Hearing regarding proposed assessments and approval of the levy of assessments for the Fiscal Year 2014/15 for the Downtown Maintenance Special Assessment District and the Downtown Police Special Assessment District. 3:03 PM

**Recommendation:** Staff recommends Council accept this report and approve the rates and levy the assessments.

**Proposed Motion:** I move to approve staff recommendation.

A RECESS WAS CALLED AT 2:56 P.M. AND UPON RECONVENING AT 3:03 P.M. COUNCIL/BOARD MEMBER DORTCH WAS ABSENT.

The Mayor/Chairman asked if proper notice was given.

City Clerk/Secretary Jones stated that proper notice was given and a letter of protest was received from Patrick Mooney, Esq., 131 California Avenue and 448 Hill Street.

Mayor/Chairman Cashell opened the public hearing and asked if anyone wished to speak.

Robert Barbanti, 100 North Arlington Avenue, Unit 12A, discussed his opposition to the proposed assessment.

The Mayor/Chairman closed the public comment portion of the hearing.

Steve Hardesty, Public Works Management Analyst, requested the following changes to the proposed assessments: 1) correct a clerical error which will revise the Montage assessment down from \$475,000 to \$74,000; 2) adjust the assessment for the AT&T building at the corner of First and Lake streets to reflect Washoe County's change in land use code, which results in a \$1,600,000 increase in assessed value for the entire district; and 3) revise the rate of .005694 per \$100 of assessed value down to .005691 per \$100 of assessed value and use that as the number that will be sent to the County for the assessment. That he said, will result in a base assessment, as established per Ordinance No. 6325, at \$1,520,000.

The Council upheld the staff recommendation with the amendments discussed by staff.

Mayor/Chairman Cashell closed the public hearing.

RESULT:APPROVED [UNANIMOUS]MOVER:Sharon Zadra, Council MemberSECONDER:Oscar Delgado, Council Member

AYES: Brekhus, Delgado, Jardon, Schieve, Cashell, Zadra

**ABSENT:** Dwight Dortch

### I Public Comment

NO ACTION WAS TAKEN ON THIS ITEM.

## J Adjournment (For Possible Action)

THE MEETING WAS ADJOURNED AT 3:08 P.M.